

## Statement of Purpose

- Strategic Progress ("SP") was retained by the Nevada State Health Division ("NSHD") to analyze staff time allocations, costs and the degree of State resources used to manage, oversee and perform indirect and administrative Nevada Early Intervention Services ("NEIS").
- Many of these indirect and administrative services are provided only by the State and not private providers, including community partner oversight, referral intake, IFSP development, and other specialized services.
- Understanding the degree of expenses allocated to these administrative and indirect costs will allow the State to differentiate its cost rate from that of community providers and also to provide a framework for considering the expansion of some of these services to community providers themselves.
- Data sources are directly from NEIS, including the Part C TRAC database and information provided from the regions themselves. Data is representative of FY 2010.

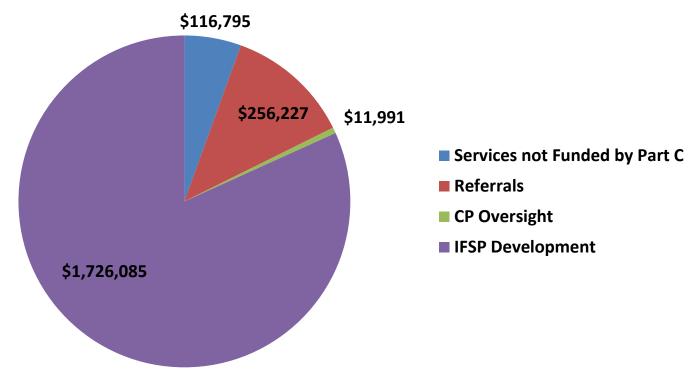


The following questions were used to drive the process of inquiry and analysis for this report:

- 1) What are the costs associated with services not funded by Part C? Services include CAPTA, SAM, craniofacial clinic, genetics clinic, metabolic clinic, and newborn hearing screenings.
- 2) What are the costs associated with the state receiving IOO% of all referrals and the intake process.
- 3) What are the costs associated with the state overseeing the community providers including provider agreements, invoicing, etc.
- 4) What is the cost associated with the state doing service coordination and the development of the initial IFSP? Is there a difference by region?
- 5) What is the average number of services provided per IFSP by region? Analyze and compare the amount and intensity of services by provider.
- 6) Compare pay within and between disciplines for the different regions. Identify the market rate for the disciplines by region and the margin of difference, on average, between NEIS salaries for each discipline and the community partners.

# **Summary Findings**

Total indirect & administrative costs incurred by NEIS in delivering early intervention services approximate \$2.1 million per year (based on FY 2010 data). The vast majority of indirect & administrative expenses, more than 82 percent, are attributable to the development of the Individualized Family Service Plan (IFSP).



Note: Indirect and administrative costs will be lower in subsequent years because NEIS programs no longer complete 100% of eligibility and develop the initial IFSP for community providers.

# **Summary Findings**

Indirect and administrative costs do vary by region, most notably in the Northeast. Given the unique nature of the Northeast office in its entirety, these cost differences are not surprising and will be addressed throughout this report.

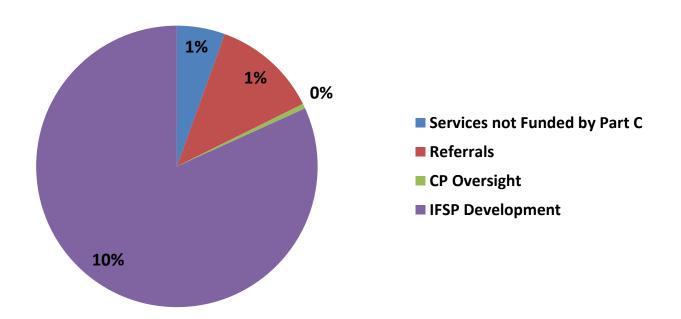
		Total Cost FY 2010									
		NE		NW		South		Total			
Services not Funded by Part C	9	1,305	\$	20,682	\$	94,808	\$	116,795			
Referrals		3 13,818	\$	52,311	\$	190,098	\$	256,227			
CP Oversight	(	<b>5</b> -	\$	1,143	\$	10,848	\$	11,991			
IFSP Development	(	\$ 199,854	\$	371,831	\$1	L,154,400	\$1	L,726,085			
Total		214,977	\$	445,967	\$1	L,450,154	\$2	2,111,097			

	Distribution of Costs FY 2010								
	NE	NW	South	Total					
Services not Funded by Part C	0.6%	4.6%	6.5%	5.5%					
Referrals	6.4%	11.7%	13.1%	12.1%					
CP Oversight	0.0%	0.3%	0.7%	0.6%					
IFSP Development	93.0%	83.4%	79.6%	81.8%					
Total	100.0%	100.0%	100.0%	100.0%					

Note: Indirect and administrative costs will be lower in subsequent years because NEIS programs no longer complete 100% of eligibility and develop the initial IFSP for community providers.

# Summary Findings

- Comparing total indirect and administrative costs to the total expenses for NEIS calculated in the original rate study (\$17.1 million), indirect and administrative costs account for 12.3 percent of NEIS' total expenses.
- IFSP development alone accounts for 10.1 percent of NEIS' total expenses.



Note: Indirect and administrative costs will be lower in subsequent years because NEIS programs no longer complete 100% of eligibility and develop the initial IFSP for community providers.

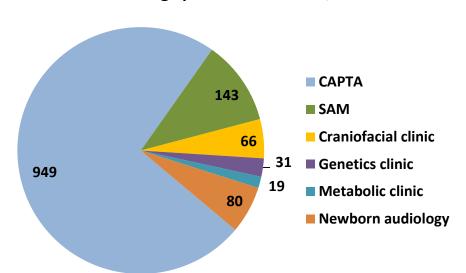


1) What are the costs associated with services not currently funded by Part C. Services include CAPTA, SAM, craniofacial clinic, genetics clinic, metabolic clinic, and newborn hearing screenings.

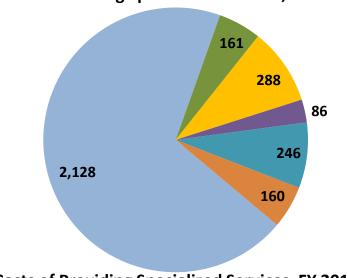
NEIS provides several services that community providers currently do not. These services add to the indirect and administrative expenses incurred by NEIS. Services include:

- CAPTA (Child Abuse Prevention and Treatment Act) When a disposition is founded for child abuse or neglect, CPS workers must refer all victims age 3 and under to early intervention for screening and assessment.
- SAM (Screening and Monitoring) Follow up by early intervention for children born into neonatal intensive care units until age 3.
- Craniofacial Clinic specializes in treatment of cleft lip and palate, craniosynostosis, craniofacial microsomia and other complex craniofacial conditions.
- Genetics Clinic diagnosis and management of patients with a wide variety of genetic conditions, birth defects, and/or chromosome anomalies.
- Metabolic Clinic evaluation of children with metabolic disorders, some patients are over the age of 3.
- Newborn Hearing Screenings follow up with children who have failed their newborn hearing screenings.





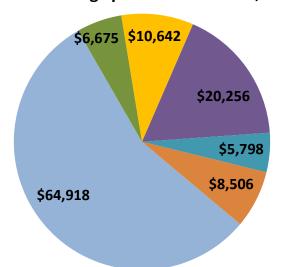
Hours Providing Specialized Services, FY 2010



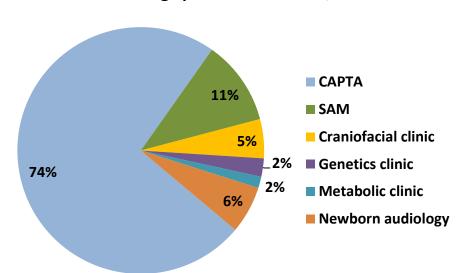
**Costs of Providing Specialized Services, FY 2010** 

The total costs for NEIS provision of nonstandardized services is \$117K. This is 5.5% of total NEIS indirect and administrative costs.

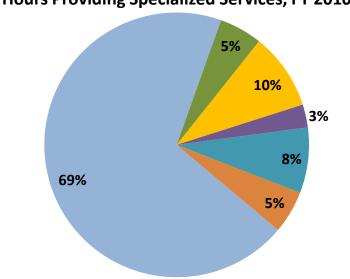
Note: This page shows the same information as the page that follows but displays the actual values instead of percentage points.





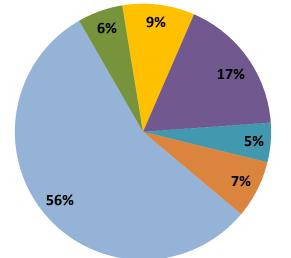


#### **Hours Providing Specialized Services, FY 2010**

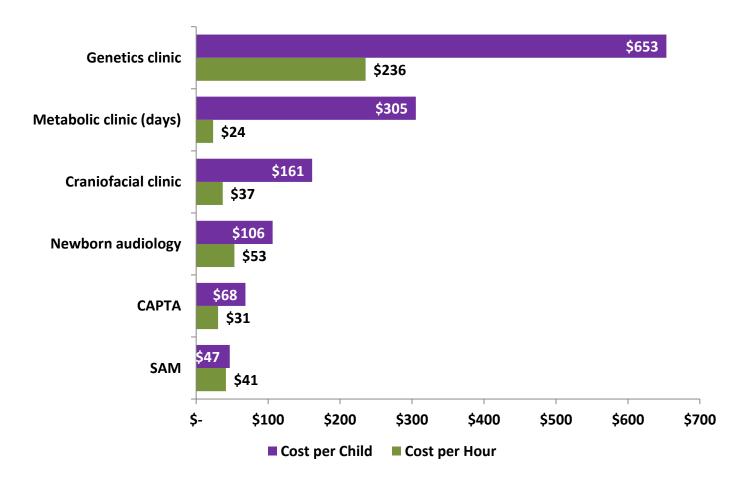


CAPTA requires the most intensive service hours and is the most popular non-standardized service in terms of children served. This is due to a Federal law that social service agencies are required to refer children with child abuse/neglect cases to early intervention. The Genetics and Metabolic Clinic represent a much higher proportion of non-standardized service expenses due to physician consultation expenses.

**Costs of Providing Specialized Services, FY 2010** 



As mentioned on the prior pages, the Genetics clinic and the Metabolic clinic are the most expensive non-standardized services provided by NEIS. The chart that follows displays the cost per child and the cost per service hour.



Regional differences are substantive, with the majority of services not currently funded by Part C taking place in the south.

		Total Child	ren FY 201	0	Total Cost FY 2010							
Service	NE	NW	South	Total	ı	NE	NW South		ıth	Total		
САРТА	17	131	801	949		\$ 502	\$	4,197	\$	60,218	\$	64,918
SAM	12	131	-	143		\$ 803	\$	5,872		n/a	\$	6,675
Craniofacial clinic	-	-	66	66		n/a	1	n/a	\$	10,642	\$	10,642
Genetics clinic	-	13	18	31		n/a	\$	8,038	\$	12,218	\$	20,256
Metabolic clinic (days)	-	6	13	19		n/a	\$	1,405	\$	4,394	\$	5,798
Newborn audiology	-	11	69	80		n/a	\$	1,170	\$	7,336	\$	8,506
Total	29	292	967	1,288		\$ 1,305	\$	20,682	\$	94,808	\$	116,795

	Percent	Distribution	on Childre	Served	Percent Distribution Expenses					
Service	NE	NW	South	Total	NE	NW	South	Total		
CAPTA	2%	14%	84%	100%	1%	6%	93%	100%		
SAM	8%	92%	0%	100%	12%	88%	0%	100%		
Craniofacial clinic	0%	0%	100%	100%	0%	0%	100%	100%		
Genetics clinic	0%	42%	58%	100%	0%	40%	60%	100%		
Metabolic clinic (days)	0%	32%	68%	100%	0%	24%	76%	100%		
Newborn audiology	0%	14%	86%	100%	0%	14%	86%	100%		
Total	2%	23%	75%	100%	1%	18%	81%	100%		

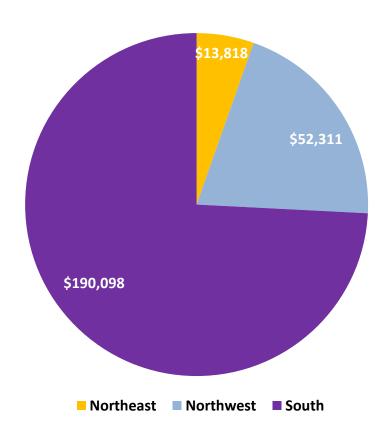


# 2) What are the costs associated with the state receiving IOO% of all referrals and the intake process?

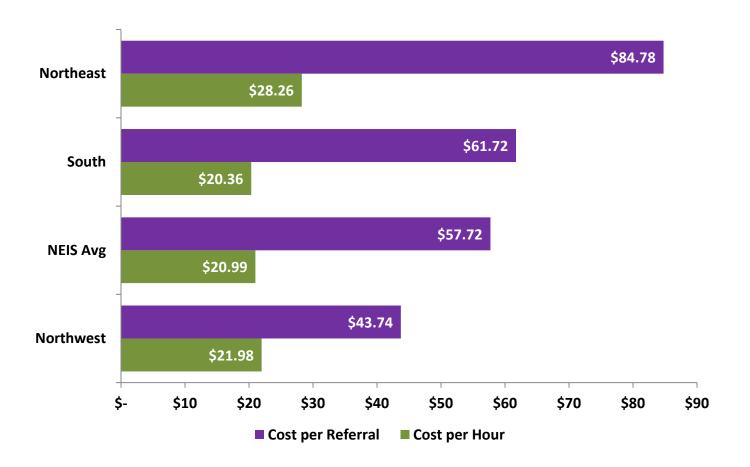
All referrals regardless of outcome (i.e., eligibility and development of an IFSP) are first processed through NEIS before being transferred to a community provider.

The total costs for NEIS receiving and processing 100% of all referrals is \$256K. This is 12.1% of total NEIS indirect and administrative costs.

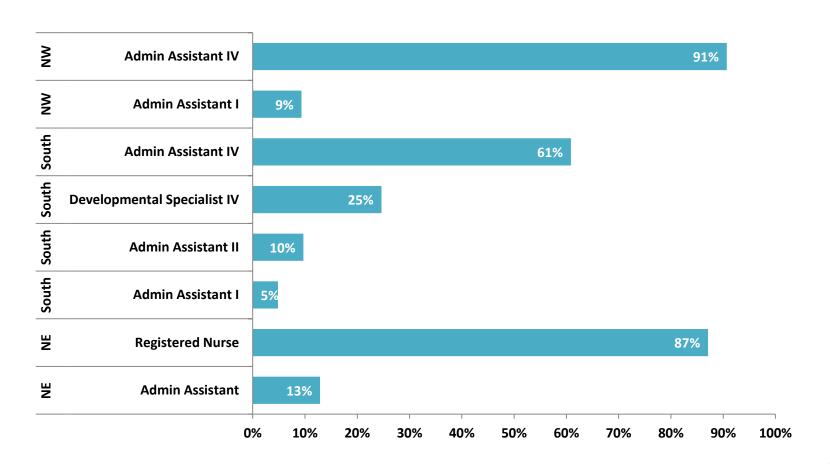
NEIS spends approximately 2.7 hours of administrative time processing each referral received. Processing time does not vary significantly by region.



Consistent with the findings reported in the rural and frontier study, the NEIS-NE region has the highest costs per referral and per referral service hour.



The primary reason for the higher expenses in the NE region are that the bulk of service expenses (87%) for processing referrals in the NE are performed by a Registered Nurse. Additionally, the NE region serves the frontier regions exclusively.





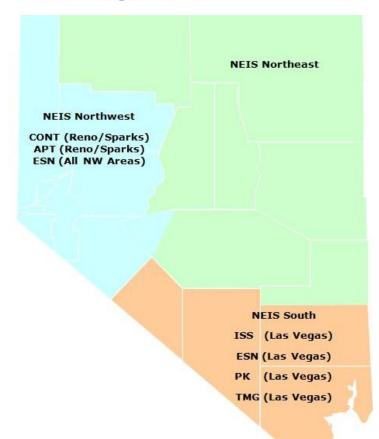
# Community Provider Oversight

# Community Provider Oversight

3) What are the costs associated with the state overseeing the community providers – including provider agreements, invoicing, etc.

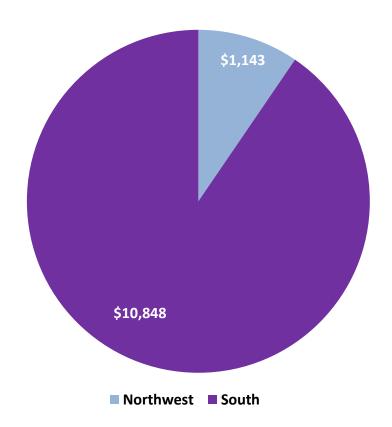
NEIS provides oversight of all private community partners. Currently, this includes six community partners throughout the state. The map to the right depicts those partners providing services today. During FY 2010, NEIS-NW managed only one provider, as Easters Seals Nevada (ESN) and APT did not yet serve the North.

Oversight includes data management, and receipt and verification of billings.



# Community Provider Oversight

The total costs for NEIS providing oversight and management of community partners is nearly \$12K per year. This is 0.6% of total NEIS indirect and administrative costs. Pursuant to discussions with the State, NEIS is very efficient at this process, thus costs for community provider oversight are minimal.



# Community Provider Oversight

Community provider oversight expenses are higher in the south because a Program Manager III spends just as much time on oversight as does an Administrative Assistant IV. In the NW region, Accounting Assistant II's and Administrative Assistant IV's perform the bulk of the time for oversight, lowering overall costs. That said, community provider oversight expenses in general are negligible.

## **Community Provider Oversight Cost per IFSP**





# 4) What is the cost associated with the state doing service coordination and the development of the initial IFSP? Is there a difference by region?

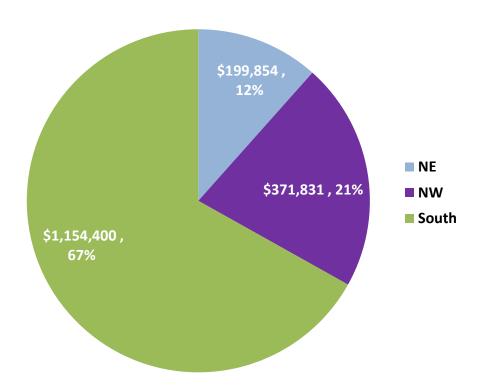
When a child is receiving early intervention services, there are several components related to service delivery that are currently performed only by the State. In fact, the only component of service delivery currently performed by community providers is the actual delivery of direct services themselves (see next page).

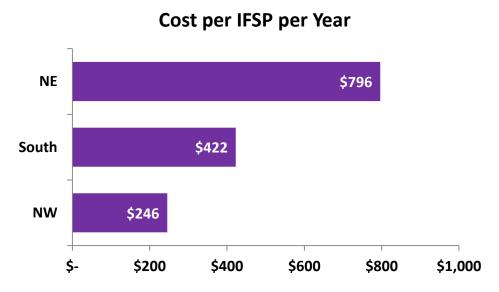
Topic	Process
Referral	There is a single point of entry for early intervention. Primary referral sources are required to refer a child to Early Intervention within 2 days of identification. Those sources include hospitals, physicians, parents, child care programs, local educational agencies, public health facilities, social service agencies, and health care providers.
Service Coordination	Service coordination assists and enables eligible children and families to receive the rights, procedural safeguards, and services within NEIS. Service coordinators are also a single point of contact in helping families to obtain community services and assistance that they might need for themselves and their child.
Evaluation & Assessment	An early intervention evaluation gathers information about the child to see how he or she is developing. It is used to determine eligibility. Assessment helps to define the types and levels of services needed by the child and family.
Eligibility	A child between birth and 3 years of age is eligible with at least a 50% delay in one or more developmental areas. Those areas include physical, cognitive, communicative, social/emotional, and adaptive.

As stated previously, the only component of service delivery currently performed by community providers is the actual delivery of direct services.

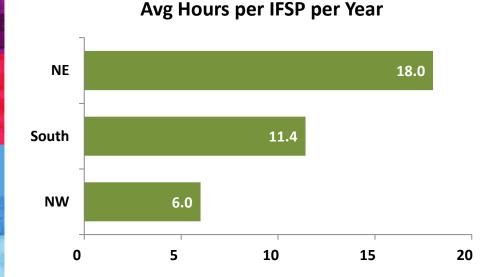
Topic	Process
Individualized Family Service Plan (IFSP)	An IFSP is developed to describe the services that are needed by the child and family and how they will be implemented. The IFSP is both a plan and a process. The plan is a written document; the process is an ongoing sharing of information to meet the developmental needs of the child and the resource needs of the family.
IFSP Meeting	The IFSP is developed at a meeting with the family, service coordinator, and at least one member of the evaluation team. It is based on information collected from the family and the evaluation/assessment.
Early	Early Intervention services are designed to address a problem or delay in development
Intervention	as early as possible. They are provided by qualified personnel in natural environments:
(EI) Services	settings in which children without special needs ordinarily participate and that are most comfortable and convenient for the family.
IFSP Reviews	The IFSP is reviewed every 6 months, or more frequently as appropriate, to ensure the plan continues to meet the needs of the child and family. At IFSP meetings, the IFSP team, which includes family members, reviews the current outcomes and early intervention services to update as needed. A new IFSP is written at least once per year.
Transition	The goal of all transitions is to assist children and families to move from one phase to another in the most helpful way possible. Transitions can occur at any time and contain several steps to transition from early intervention to other early childhood settings and support services that the child and family may need at age 3.

The total costs for NEIS providing service coordination and IFSP development services is nearly \$1.7 million per year. This is roughly 82% of total NEIS indirect and administrative costs. The distribution of these costs by region is presented below.





As can be expected, expenses for service coordination and IFSP development are highest in the Northeast region, which serves 100% frontier areas. In some instances, travel time alone can account for 50% of IFSP development in the Northeast.



It is recommended that the hours for the Northwest be reviewed again, as they appear low in comparison to other regions.

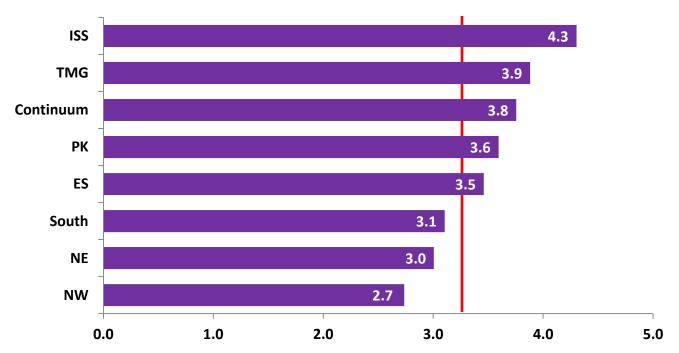


# Average Number of Services per IFSP

# 5) What is the average number of services provided per IFSP by region? Analyze and compare the amount and intensity of services by provider.

Each child receiving early intervention services in Nevada receives approximately 3.2 different services. Community providers, on average, provide an estimated 3.8 services per unique child.

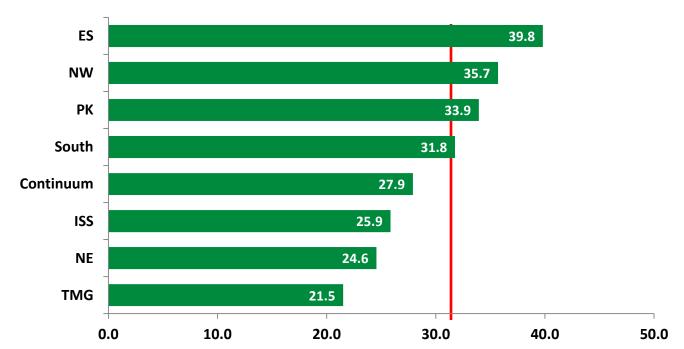
### **Average Number of Services Received per Child**



Note: Advanced Pediatrics is omitted from this analysis due to its entry into the market for only a small portion of FY 2010.

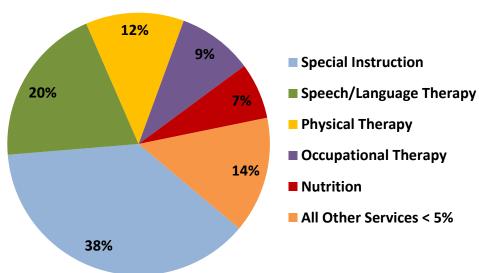
The intensity of services received per child varies substantially by provider. Each child receiving early intervention services in Nevada receives approximately 31.4 hours of service per year. Community providers, on average, provide an estimated 28.7 hours of service per unique child per year, while NEIS provides an estimated 30.7 hours of service per unique child per year.

### **Average Number of Hours per Child per Year**

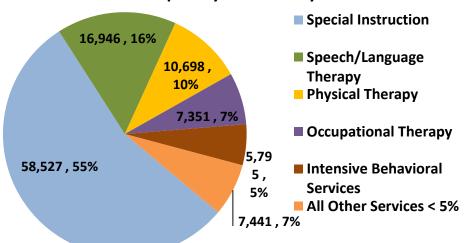


Note: Advanced Pediatrics is omitted from this analysis due to its entry into the market for only a small portion of FY 2010.

### **Services Most Frequently Received by Child**



#### **Services Most Frequently Received by Total Hours**



Whether examining services received on a per child basis, or on an overall total number of hours, the results are largely similar. The most frequently accessed early intervention services (irrespective of provider) include special instruction, speech & language therapy, physical therapy, occupational therapy, nutrition services, and intensive behavior services. All other services account for less than 5% of services received.

Services provided vary substantially by provider. Whether by lack of demand or lack of ability to supply, certain services are entirely negligible, particularly health and psychological services.

## Hours of Service Performed by Provider and Service, FY 2010

	Continuum	ES	ISS	PK	TMG	NE	NW	South	Total
Special Instruction	1,354	4,933	3,506	2,363	3,442	1,147	15,658	26,085	58,527
Speech/Language Therapy	2,038	1,661	949	929	763	1,152	5,037	4,406	16,946
Physical Therapy	894	808	609	279	435	488	3,467	3,716	10,698
Occupational Therapy	1,127	841	555	178	326	536	2,552	1,229	7,351
Intensive Behavioral Services	23	121	126	228	134	396	1,923	2,844	5,795
Nutrition	46	28	110	89	164	140	781	1,306	2,669
Feeding	-	172	46	129	306	-	58	1,045	1,757
Vision Services	17	220	89	74	83	27	328	655	1,495
Assistive Technology	-	-	-	2	6	1	-	468	477
Service Coordination	-	-	240	-	-	27	25	101	401
Audiology	26	8	7	14	16	-	133	105	310
Family Training, Counseling	-	-	-	-	-	-	83	46	130
Medical Services	6	2	14	16	12	-	-	78	129
Social Work Services	3	-	-	-	-	17	52	-	72
Health Services	-	-	-	-	-	-	-	2	2
Psychological Services	-	=	=	=	-	-	1	-	1
Total Hours	5,534	8,793	6,251	4,303	5,688	3,929	30,097	42,086	106,758

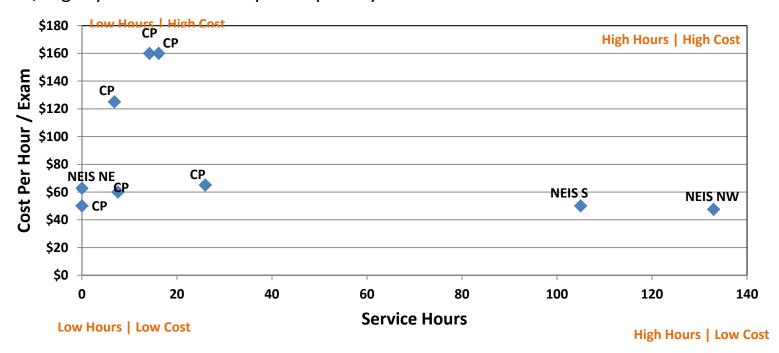
Note: Advanced Pediatrics is omitted from this analysis due to its entry into the market for only a small portion of FY 2010.



# Market Rates by Discipline

## **Audiologist**

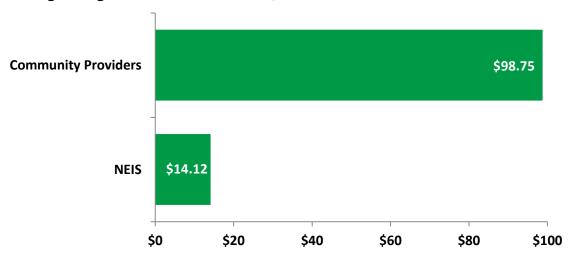
The average hourly rate for audiology services is \$87 per hour. This includes hourly rates paid by both community providers and the state. It should be noted that all audiology services are contracted, and NEIS generally pays much lower rates than community providers. Audiologists perform audiology services, and in some cases, special instruction. Wages for auditory processing specialists, if used, were identical to that of audiologists. NEIS average wages are \$53 per hour, while community providers average wage is more than double, at \$103 per hour. The median western region wage for audiologists is \$46 per hour, slightly lower than hourly rates paid by NEIS.



## Behavioral / Instructional Aide

Significant discrepancies exist between wages paid for behavioral / instructional aides. The magnitude of the discrepancy is so large that it warrants questioning whether or not community providers and NEIS are using the same definition for the position. Behavioral / instructional aides typically perform intensive behavioral services and special instruction. It should be noted that one community provider specifically identified this position as a credentialed Board Certified Behavior Analyst, which may explain some of the discrepancy in wages.

### Average Wages Paid to Behavioral / Instructional Aides

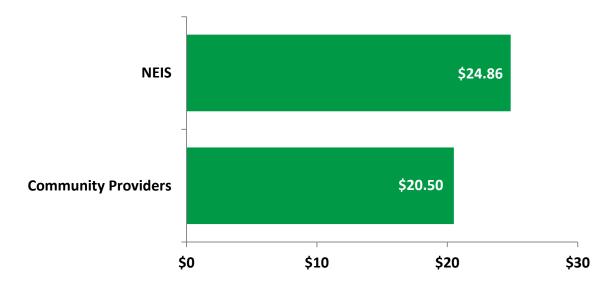


This position is typically a contract position. The median national wage for behavioral / instructional aides is \$16.35 per hour.

# Developmental Specialist

The Nevada average hourly rate for developmental specialists, regardless of employment status, longevity, or payee, is \$22 per hour. This position represents an equal mix between a contracted position or full-time staff member. Developmental specialists perform a myriad of duties, including assistive technology, intensive behavioral services, service coordination, special instruction, and even vision services. The median national wage for developmental specialists is \$27.40 per hour; however, these are normally full-time positions.

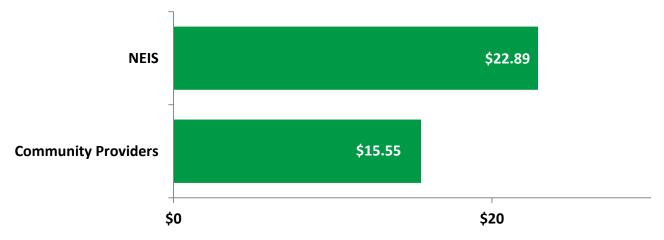
### **Average Wages Paid to Developmental Specialists**



# Interpreters / Translators

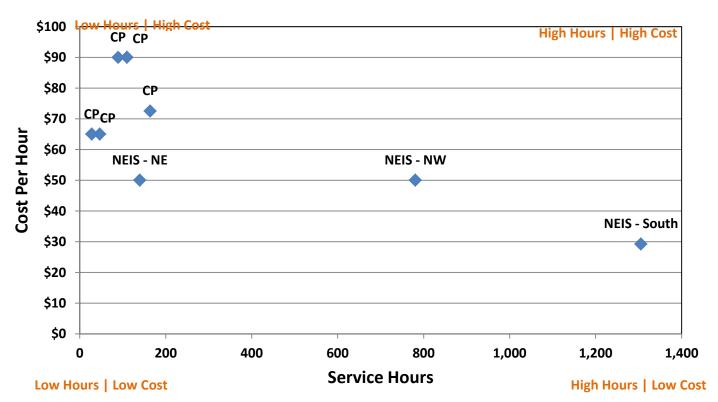
The median national hourly rate for Spanish interpreters and translators is \$20.67 per hour. The average wage paid in Nevada is \$17.67 per hour, again reflecting an equal mix of contracted and staff positions. Services for sign language interpreters and translators is much higher than that of Spanish interpreters, approximating \$65 per hour. The interpreter/translator position is another role where NEIS pays higher than average wages compared to the private sector.

## Average Wages Paid to Interpreters / Translators



## **Nutritionist**

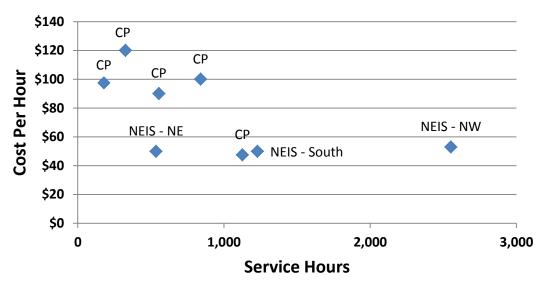
NEIS nutritionists perform feeding, nutrition, and special instruction services. Community providers pay nutritionists 63% more per hour than the state, or \$27 more an hour. Community providers average wage is \$70.42 an hour, while NEIS pays an average wage of \$43.09 per hour. The majority of these positions are contract positions, although staff positions are well represented in the mix. The Nevada average is \$61.31 per hour, while the national median is \$25.00 per hour.



# Occupational Therapist

Occupational therapy is one of the primary services offered by NEIS, representing between 7 and 9 percent of all services. In addition to traditional occupational therapy, occupational therapists may also provide feeding and special instruction services. This is vet another profession where community providers pay more for services than the public sector, approximately 65% more per hour. It is important to note that the majority of occupational therapists are contracted staff.

## **Average Wages Paid to Occupational Therapists**

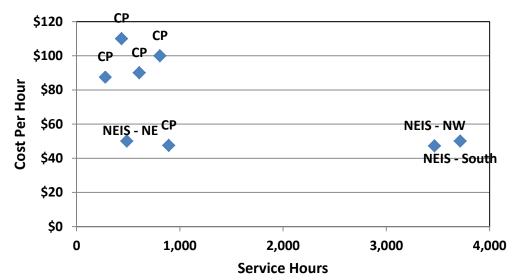


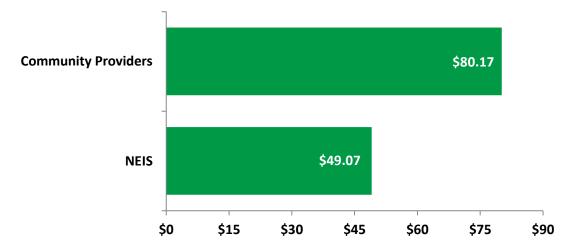


# Physical Therapist

Physical therapy is the third most accessed service for children receiving early intervention services. The national median wage paid to physical therapists is approximately \$44.71 per hour. This is significantly lower than wages paid in Nevada, which average \$70 per hour between the public and private sectors. NEIS spends 63% less, or \$31.10 less than community providers. The majority of physical therapists performing NEIS services in Nevada are contractors, which may explain part of the discrepancy between Nevada wages and national wages.

### Average Wages Paid to Physical Therapists





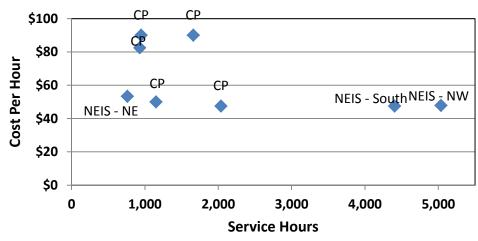
# Speech Pathologist

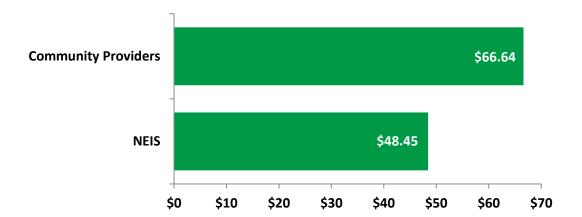
Speech and language therapy is the second most accessed service for Nevada children receiving early intervention services.

The median national wage for speech pathologists is \$46.63 per hour, while the Nevada average is \$57.54 per hour.

Note: During FY 2010, NEIS announced 5 percent salary decreases for both FTE's and contractors. This decrease is reflected in the above.

## Average Wages Paid to Speech Pathologists





## Other Positions

Certain positions employed or contracted by NEIS are more prevalent at the state than with community partners. The highlights of the differences for these particular positions, including clinical social workers, pediatricians, program specialists, psychologists, public service interns, and registered nurses, are presented in the table below. Some positions, such as the registered nurse, present wide fluctuations in compensation rates.

	Commu Provid	NEIS	
Clinical Social Worker	\$	90.00	n/a
Pediatrician		n/a	\$ 84.77
Program Specialist	\$	20.00	\$ 22.44
Public Service Intern	\$	21.73	\$ 16.67
Registered Nurse	\$	75.00	\$ 28.06

